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Report Highlights:

Total Argentine citrus production in 2001 is forecast to be slightly higher than the previous year, due to improved climatic conditions in some of the producing areas. Total exports are expected to decline somewhat due to the devaluation of the Euro with respect to the dollar. Argentina increased the tariff on fresh citrus imports to 25 percent on April 10, 2001.

Includes PSD changes: Yes
Includes Trade Matrix: No
Annual Report
Buenos Aires [AR1], AR

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EXECUTIVE SUMMARY:

Production of fresh citrus in 2001 is forecast at 2.63 million metric tons, up 1.9 percent from the 2.58 million tons produced in 2000. With the exception of grapefruits, production of all other citrus fruits is expected to increase slightly.

The opening of the US market for fresh citrus from the northwestern Argentine regions (NOA) has generated interest among producers, who have increased the number of plants registered for 2001 exports.

The existing exchange rate gap between Argentina and European countries, and high internal costs, have are expected to cause a decrease in fresh citrus fruit trade this season.

SECTION I: SITUATION AND OUTLOOK

Fresh Citrus Area Planted

During 2000, there were 145,293 hectares planted with citrus in Argentina.

A break down by product and provinces follows (hectares):

Provinces	Oranges	Tangerines	Grapefruit	Lemons	Total
BuenosAires (San Pedro, San Nicolas, Baradero)	7,250	640	310	560	8,760
Entre Rios	18,000	20,000	1,800	1,500	41,300
Corrientes (Monte Caseros, Bella Vista)	18,100	8,050	820	3,290	30,260
Misiones	2,800	3,200	450	2,000	8,450
Jujuy	3,810	1,510	880	1,632	7,838
Salta	4,500	770	7,850	1,850	14,970
Tucuman	3,120	590	505	29,500	33,715
TOTAL	57,580	34,760	12,615	40,338	145,293

Developments in Planted Area and Production Methods

Lemons:

Last year nearly 240,000 lemon buds were grafted in Tucuman, 40 percent of which was Limoneira 8-A variety, 20 percent, Frost libon; 20 percent, Genova Nucelar; 15 percent, different types of Eureka and 5 percent Santa Elena variety. There was a strong tendency toward plant density of 400 to 550 plants per hectare.

Oranges:

In northeastern (NEA) as well as in northwestern Argentina (NOA), orange varieties such as Navelinas, Newhall, Lane Late and Parent Washington, and Salkustianas and the Valencias of early maturing Delta, Midnight and of late maturing Valencia Seedless and Frost were planted. The grafts most used were Trifolio, and some Citranger troyer and Carrizo. The average density of plantations was 400 plants per hectare.

Grapefruit:

Salta is the main grapefruit producing Province. Practically 63 percent of the grapefruit planted is pink varieties Foster; Henningers and Rubi; 31 percent corresponds to red grapefruit varieties Henderson, Mutacion La Toma, Tio Red, Star Ruby and Flame and the remaining 6 percent to white grapefruit Marsh Seedless. Jujuy is known principally for red grapefruits. The grafts most used are Cleopatra, Citrange, Citrumero and Wolkameriana. Density of the plantations is 250 plants per hectare.

Tangerines:

In the NEA, where the highest volume of tangerines is planted, the principal varieties for export are Clementinas, Novas and Ellendale and Murcott for internal consumption. Trofilio foot is the most used, and to a lesser extent Citrange Roger and Carrizo. Planting density is about 450 trees per hectare.

Production - Fresh Lemon

Total lemon production for 2001 season (harvested year around with the bulk of the harvest in May and August) is forecast at 1.17 million metric tons, or 7,889 metric tons more than in year 2000. In Tucuman, the drought during winter and spring time adversely affected the first blossom, but later on climatic conditions improved. When the new plants planted blossom a slightly higher lemon production and of better quality is expected for 2001, compared to 2000. However, recent rains have delayed the harvest, thus resulting also in a delay in shipments.

Production - Oranges

Argentine orange production for 2001 (harvested April-December) is forecast at 830,000 metric tons, 5 percent higher than last year's, due to improved weather conditions in Entre Rios and Buenos Aires provinces. In Entre Rios Province, last spring was very rainy and windy, and even though an increase in production is expected, it is estimated that the quality of fruit could be below normal levels, due to some diseases. In Buenos Aires, the weather conditions during the growing period were good, therefore a higher production is expected in this province.

Production - Tangerines

Tangerine production for the 2001 season (harvested April - November), could reach 445,000 metric tons compared to 438,058 metric tons produced in year 2000. This slight increase is due to greater tangerine production in the provinces of Buenos Aires, Misiones and Jujuy, which could offset the reduced production in Salta Province. The production of tangerines in the other producing provinces is expected to be similar to last years.

Production - Grapefruit

Fresh grapefruit production in 2001 (harvested April - December) is forecast at 187,000 metric tons, slightly less than the 189,237 metric tons produced in 2000. This decrease was in Salta where there were frosts in June and July of 2000, which caused reduced production of grapefruit. Moreover, heavy rains after December caused sprouts, which resulted in more fruit but of a smaller size.

Fresh Citrus Exports

During 2000 approximately 287,906 metric tons of citrus fruits were exported from Argentina valued at US\$ 132.5 million. The export season for lemons is from May through October with the heaviest export flow in July-August. In CY 2000, 204,662 metric tons of fresh lemons were exported for a value of US\$ 94.0 million. Principal destinations were to the Netherlands, Russia, Italy and Spain. Oranges are exported from May through November, with the peak during August-September. In 2000, orange exports reached 41,084 metric tons valued at US\$ 15.0 million. Main export markets were the Netherlands, Russia, Spain and France. Tangerine shipment begins in May and ends in September, with the heaviest flow taking place in September. Tangerine exports during the same period totalled 24,564 metric tons valued at US\$ 15.6 million, with the Netherlands, the United Kingdom, Canada and the Philippines the principal import markets. During CY 2000, Argentina exported 17,596 metric tons of grapefruit for an export value of US\$ 7.8 million, to Belgium, the Netherlands, United Kingdom and France. The export market season for grapefruits is May through September with the heaviest export volume in June.

Total exports of fresh citrus fruit in 2001 are forecast to reach 275,000 metric tons; fresh lemons will maintain nearly the same export volumes, with the drop in the European markets offset by other destinations such as the United States and Eastern Europe. Other citrus fruit export volumes will be less than last year due to: a) the devaluation of the Euro with respect to the dollar, and b) internal production and export costs.

It is forecast that Russia will buy more lemons from Argentina this year, as it is less expensive to purchase in Argentina than buy from Spain and/or Italy. Hong-Kong is also forecast to be a good market for citrus from Argentina this year because of South Africa's low quality fruit, due to that country's weather reduced crops. This will also help Argentina to export more oranges to Europe.

In CY 2000 Argentina imported nearly 20,371 metric tons of citrus fruit for a total import value of US\$ 11.1 million.

Principal imports were oranges (12,110 metric tons from Spain, Uruguay and Israel) valued at US\$ 6.7 million. Grapefruit imports totalled 7,657 metric tons, valued at US\$ 4.1 million, mainly from Israel, Uruguay and Chile. Some 232 metric tons of lemon were imported from Spain and Uruguay, and tangerines imported from Spain, Uruguay and Israel reached 372 metric tons.

CY 2001 imports of fresh citrus are expected to be 5 percent less because Argentina increased the import taxes of fresh citrus (among other products) from 13 percent (previously) to 25 percent at present. (Resolutions No. 8/2001 and 27/2001 issued by the Ministry of Economy). See Policy Section.

Consumption of fresh citrus

Due to the expected increase in total citrus output, and some decrease in exports, fresh consumption of oranges and grapefruits are estimated to increase slightly.

Table 1. Apparent Per Capita Consumption of Fresh Citrus in CY 2000 and forecast for CY 2001 (kg. per capita).

Variety	2000	2001
Lemon	2.8	2.2
Tangerines	10.8	10.2
Orange	17.4	17.8
Grapefruit	2.6	2.7

Prices:

Export prices for fresh lemon for 2001 are quoted at US\$ 7.50-8.00 per box, FOB Buenos Aires for Russia; \$8.00 for Europe; \$10-12.00 for the United States; \$8.00 for Canada; and \$9.50-10 for Hong Kong. We are using an average FOB price of US\$ 8.00. In the case of oranges we are using an average of US\$ 6.00 (broken down as follows): for Europe US\$ 6.00 per box, FOB Buenos Aires; for Canada \$6.50; Russia \$6.00 and the United States \$8.00. The export price for tangerines is the same as for oranges, an average of US\$ 6.00 per box of 10 kilos, FOB Buenos Aires, as nearly 70-80 percent of this fruit goes to European countries, and US\$ 6.50 for Canada. Nearly all grapefruit exports go to Europe quoted at US\$ 6.50 - 7.00 FOB Buenos Aires. Monthly wholesale (weighted average) citrus prices in dollars per kilogram for 2000 and January-April 2001 follow in the table below:

Table 2. Fresh Citrus Fruit Wholesale Prices (US\$/Kg.)

2000	Lemon	Tangerine	Orange	Grapefruit
January	0.43	0.36	0.61	0.59
February	0.53	0.53	0.75	0.71
March	0.41	0.39	0.72	0.53
April	0.27	0.30	0.59	0.36
May	0.25	0.25	0.36	0.29
June	0.21	0.22	0.28	0.27
July	0.19	0.25	0.27	0.27
August	0.20	0.27	0.25	0.28
September	0.22	0.35	0.27	0.32
October	0.27	0.42	0.35	0.43
November	0.29	0.34	0.43	0.65

December	0.28	0.33	0.43	0.63
2001				
January	0.31	0.36	0.42	0.58
February	0.36	0.38	0.41	0.55
March	0.36	0.33	0.44	0.45
April	0.34	0.25	0.40	0.32

Policy:

Argentina increased the tariffs on most high value consumer ready food products to 35 percent on April 10, 2001 as part of a new economic recovery plan. The tariffs on most fresh fruits were increased from 13 to 25 percent.

No. of nomenclature: (updated April 10, 2001)	Export			
	Extra Zone (%)	Merco- Sur (%)	Statis- tical (%)	Reba- te (%)
0805.10.001 Oranges packed in boxes of up to 16 kilos or less	25	0	0.5	10.0
0805.10.002 Oranges packed in boxes from 16 kilos up to 20	25	0	0.5	8.1
0805.20.001 Tangerines packed in boxes of up to 16 kilos or less	25	0	0.5	10.0
0805.20.002 Tangerines packed in boxes from 16 kilos or up to 20	25	0	0.5	8.1
0805.30.001 Lemon packed in boxes of up to 16 kilos or less	25	0	0.5	10.0
0805.30.002 Lemon packed in boxes from 16 kilos or up to 20	25	0	0.5	8.1
0805.40.001 Grapefruit packed in boxes of up to 16 kilos or less	25	0	0.5	10.0
0805.40.002 Grapefruit packed in boxes from 16 kilos or up to 20	25	0	0.5	8.1

Note:

Extra Zone: Tariff applied to non-Mercosur Countries

Mercosur: Tariff applied to imports from other Mercosur Countries (Brazil, Paraguay, Uruguay)

Statistical: Additional import charge

Rebate: Tax refund for exports to non-Mercosur countries.

SECTION II. STATISTICAL TABLES**Table 1. Fresh Lemons Supply and Demand**

PSD Table						
Country	Argentina					
Commodity	Fresh Lemons				(HECTARES)(1000 TREES)(1000 MT)	

	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Area Planted	41571	41571	43000	43000	43000	43000
Area Harvested	38500	38500	34000	34000	34000	34000
Bearing Trees	9728	9728	9728	9728	9728	9728
Non-Bearing Trees	3071	3071	5000	5000	5000	5000
TOTAL No. Of Trees	12799	12799	14728	14728	14728	14728
Production	1025	1025	1043	1043	1050	1050
Imports	0	0	0	0	0	0
TOTAL SUPPLY	1025	1025	1043	1043	1050	1050
Exports	157	157	199	199	180	200
Fresh Dom. Consumption	157	157	124	124	130	140
Processing	711	711	720	720	740	710
TOTAL DISTRIBUTION	1025	1025	1043	1043	1050	1050

Table 2: Fresh Lemons Exports

Export Trade Matrix			
Country	Argentina		
Commodity	Fresh Lemons		
Time period	C.Y	Units:	M.Tons
Exports for:	1999		2000
U.S.		U.S.	6,796
Others		Others	
Netherlands	65,714	Netherlands	53,466
Russia	33,158	Russia	31,851
Spain	21,899	Italy	21,791
France	17,679	Spain	17,441
Holland	14,003	Greece	15,584
Greece	10,186	Poland	15,274
U.K.	10,005	Belgium	8,261
Canada	7,152	U.K.	8,305
Belgium	6,941	Canada	7,368
British Territ.	3,407	France	7,315
Total for Others	190144		186656
Others not Listed	9,578		11,210
Grand Total	199722		204662

Table 3: Fresh Lemons Imports

Import Trade Matrix			
Country	Argentina		
Commodity	Fresh Lemons		
Time period	C.Y.	Units:	M. Tons
Imports for:	1999		2000
U.S.		U.S.	
Others		Others	
Spain	240	Spain	131
Cuba	3	Uruguay	78
		Chile	18
		Cuba	4
Total for Others	243		231
Others not Listed			
Grand Total	243		231

Table 4: Fresh Lemons Prices

Prices Table			
Country	Argentina		
Commodity	Fresh Lemons		
Prices in		per uom	
Year		1	% Change
Jan			
Feb			
Mar			
Apr			

May			
Jun			
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			
Exchange Rate		Local currency/US \$	

Table 5: PSD Fresh Tangerines

PSD Table						
Country	Argentina					
Commodity	Fresh Tangerines				(HECTARES)(1000 TREES)(1000 MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Area Planted	33257	33257	33257	33257	0	34760
Area Harvested	25401	30050	25401	30900	0	31187
Bearing Trees	8128	12774	8128	13231	0	13668
Non-Bearing Trees	7856	1681	7856	2753	0	1569
TOTAL No. Of Trees	15984	14455	15984	15984	0	15237
Production	346	346	340	438	0	445
Imports	1	1	1	0	0	0
TOTAL SUPPLY	347	347	341	438	0	445
Exports	31	31	25	25	0	26
Fresh Dom. Consumption	277	277	276	377	0	383
Processing	39	39	40	36	0	36
TOTAL DISTRIBUTION	347	347	341	438	0	445

Table 6: Fresh Tangerines: Exports

Export Trade Matrix			
Country	Argentina		
Commodity	Fresh Tangerines		

Time period	C.Y.	Units:	M. Tons
Exports for:	1999		2000
U.S.		U.S.	
Others		Others	
Netherlands	14,726	Netherlands	9,798
U.K.	5,048	U.K.	5,677
Canada	3,502	Canada	2,268
Russia	1,665	Philippines	2,125
British Territ.	1,361	Russia	1,103
Singapore	863	Belgium	861
Philippines	763	Hong-Kong	751
Belgium	575	Greece	330
Poland	554	Indonesia	305
S.Arabia	468	Poland	246
Total for Others	29525		23464
Others not Listed	1,508		1,100
Grand Total	31033		24564

Table 7: Fresh Tangerines Imports

Import Trade Matrix			
Country	Argentina		
Commodity	Fresh Tangerines		
Time period	C.T.	Units:	M. Tons
Imports for:	1999		2000
U.S.		U.S.	
Others		Others	
Uruguay	359	Spain	185
Spain	194	Uruguay	138
Israel	88	Israel	49
Total for Others	641		372

Others not Listed	0		0
Grand Total	641		372

Table 8: Fresh Tangerines Prices

Prices Table			
Country	Argentina		
Commodity	Fresh Tangerines		
Prices in	US\$	per uom	boxes
Year	2000	2001	% Change
Jan			
Feb			
Mar	7.5		-100.00%
Apr	8	6	-25.00%
May	9	6	-33.33%
Jun	9.25	6	-35.14%
Jul	9	6	-33.33%
Aug	9	6	-33.33%
Sep			
Oct			
Nov			
Dec			

Table 9: PSD fresh Grapefruits

PSD Table						
Country	Argentina					
Commodity	Fresh Grapefruit				(HECTARES)(1000 TREES)(1000 MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Area Planted	12679	12679	12679	12679	0	12615
Area Harvested	10748	10748	10748	10748	0	12072
Bearing Trees	2687	2687	2687	2909	0	3132
Non-Bearing Trees	1931	783	1931	461	0	138
TOTAL No. Of Trees	4618	3470	4618	3370	0	3270
Production	178	178	165	189	0	187

Imports	6	6	6	8	0	7
TOTAL SUPPLY	184	184	171	197	0	194
Exports	21	21	20	18	0	14
Fresh Dom. Consumption	119	119	113	99	0	100
Processing	44	44	38	80	0	80
TOTAL DISTRIBUTION	184	184	171	197	0	194

Table 10 :Fresh Grapefruit Exports

Export Trade Matrix			
Country	Argentina		
Commodity	Fresh Grapefruit		
Time period	C.Y.	Units:	M. Tons
Exports for:	1999		2000
U.S.		U.S.	57
Others		Others	
Belgium	7,904	U.K.	2,168
France	7,340	Belgium	6,751
Netherlands	2,859	Netherlands	6,013
U.K.	2,174	France	880
Canada	454	Canada	599
Greece	231	Taiwan	492
Chile	153	Russia	154
Russia	143	Chile	128
Italy	81	Brazil	112
Bolivia	31	Portugal	102
Total for Others	21370		17399
Others not Listed	21		141
Grand Total	21391		17597

Table 11 : Fresh Grapefruits Imports

Import Trade Matrix			
Country	Argentina		
Commodity	Fresh Grapefruit		
Time period	C.Y.	Units:	M. Tons
Imports for:	1999		2000
U.S.	40	U.S.	

Others		Others	
Israel	3,674	Israel	5,340
Spain	1,025	Uruguay	969
Uruguay	1,488	Chile	638
Mexico	51	Cuba	384
Chile	31	Spain	325
Total for Others	6,269		7656
Others not Listed	0		0
Grand Total	6309		7656

Table 12: Fresh Grapefruit Prices

Prices Table			
Country	Argentina		
Commodity	Fresh Grapefruit		
Prices in	US\$	per uom	boxes
Year	2000	2001	% Change
Jan	4		-100.00%
Feb	4		-100.00%
Mar	4		-100.00%
Apr	6		-100.00%
May	6.5	7	7.69%
Jun	7.5	7	-6.67%
Jul	7.5	7	-6.67%
Aug	7	7	0.00%
Sep	7		-100.00%
Oct			
Nov			
Dec			
Exchange Rate	1 peso	Local currency/US \$	

Table 13 : PSD Fresh Oranges

PSD Table						
Country	Argentina					
Commodity	Fresh Oranges				(HECTARES)(1000 TREES)(1000 MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Area Planted	56276	56276	56276	56276	0	57580
Area Harvested	46576	46576	46576	49173	0	52104
Bearing Trees	9698	12575	9698	16970	0	19672
Non-Bearing Trees	12575	9698	12575	4250	0	2050
TOTAL No. Of Trees	22273	22273	22273	21220	0	21722
Production	660	660	685	789	0	830
Imports	5	5	5	12	0	12
TOTAL SUPPLY	665	665	690	801	0	842
Exports	75	75	65	41	0	35
Fresh Dom. Consumption	460	460	485	620	0	667
Processing	130	130	140	140	0	140
TOTAL DISTRIBUTION	665	665	690	801	0	842

Table 14: Fresh Oranges Export

Export Trade Matrix			
Country	Argentina		
Commodity	Fresh Oranges		
Time period	C.Y.	Units:	M. Tons
Exports for:	1999		2000
U.S.		U.S.	4
Others		Others	
Netherlands	25,264	Netherlands	15,378
Russia	16,959	Russia	8,413
Spain	13,667	Belgium	8,021
U.K.	4,254	Spain	4,121
France	3,449	Greece	1,275
Belgium	2,796	U.K.	808

Canada	1,611	France	783
Sweden	1,204	Italy	535
Bolivia	898	Ukraine	218
Greece	881	Malta	141
Total for Others	70983		39693
Others not Listed	3,868		1,386
Grand Total	74851		41083

Table 15: Fresh Oranges Import

Import Trade Matrix			
Country	Argentina		
Commodity	Fresh Oranges		
Time period	C.Y.	Units:	M. Tons
Imports for:	1999		2000
U.S.		U.S.	
Others		Others	
Spain	3,179	Spain	6,031
Israel	1,131	Mexico	2,350
Uruguay	402	Israel	2,041
Mexico	352	Chile	1,564
Chile	37	Uruguay	63
Brazil	4	Italy	40
		Portugal	21
Total for Others	5105		12110
Others not Listed	0		0
Grand Total	5105		12110

Table 16: Fresh Oranges Prices

Prices Table			
Country	Argentina		
Commodity	Fresh Oranges		
Prices in	US\$	per uom	boxes
Year	2000	2001	% Change

Jan			
Feb			
Mar			
Apr			
May	7		-100.00%
Jun	7.1	6	-15.49%
Jul	7.5	6	-20.00%
Aug	7.5	6	-20.00%
Sep	7.25	6	-17.24%
Oct			
Nov			
Dec			
Exchange Rate	1 peso	Local currency/US \$	